

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 2284 - SB 2297**

April 3, 2009

**SUMMARY OF BILL:** Requires initial background checks for all persons providing support or having access to the elderly or individuals with disabilities receiving health care services and requires a background check be conducted every three years. Redefines vulnerable adult to include persons receiving health care, including long-term care services under the provisions of the vulnerable persons registry. Requires state agencies to document that the registry was consulted prior to employment and monitor contractors to ensure compliance with required reporting. Authorizes an agency to terminate a contract with an entity that fails to comply with the requirements and establishes civil monetary penalties for not complying with the registry check as required. Expands the guardianship program to include disabled adults under the age of 60 who currently cannot access these services. Requires background checks for all public guardians, staff, contractors, and volunteers. Guardians and volunteers with fiduciary duties must also submit to a credit report and public guardians must maintain financial records of guardianship activities. Public guardians must also file an Initial Guardianship Plan with the court within 60 days after appointment as a person's guardian and file an annual report on behalf of each ward. Requires the Commission on Aging and Disability to conduct monitoring to ensure compliance with background checks and reporting requirements. The Commission will report findings from the monitoring process to the Select Oversight Committee on Long-Term Care.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$74,900/One-Time  
\$1,055,900/Recurring**

**Increase Federal Expenditures - \$18,700**

**Assumptions:**

- The Commission on Aging and Disability estimates an additional 75 individuals will receive guardianship services.
- The Commission will need additional positions to handle the additional guardianships. These positions include a certified case manager, a psychiatric nurse, a developmental disability nurse, a licensed clinical

**HB 2284 - SB 2297**

social worker, a licensed professional counselor, a behavioral disorder and substance abuse counselor, and three credentialing professionals.

- The increase in recurring expenditures for the nine positions is \$753,648 which includes salaries (\$395,800), benefits (\$134,572), and other operational expenses (\$223,276). There will one-time expenditures of \$74,930 which includes training (\$28,800) and consultation fees (\$46,130).
- The Department of Mental Health and Developmental Disabilities (DMHDD) will incur an increase in expenditures for providing background checks every three years. It is estimated that a total of 1,331 DMHDD employees at a rate of \$48 per background investigation will result in an increase in expenditures of \$63,888. The Department will spread out the investigations over the three years resulting in an increase in expenditures of \$21,296 each year.
- The Division of Mental Retardation Services (DMRS) will incur an increase in expenditures for the background checks of 1,579 employees and volunteers resulting in an increase in expenditures of \$75,792 (1,579 x \$48). The Division will spread out the investigations over the three years resulting in an increase in expenditures of \$25,264 each year. The expenditure will be through TennCare. Of the \$25,264, \$6,534 will be state funds at a rate of 25.862 percent and \$18,730 will be federal funds at a match rate of 74.138 percent.
- DMRS reimburses provider agencies \$22 for background checks that do not require finger printing of their employees. In FY07-08, the Division reimbursed provider agencies \$408,800 in state dollars. It is estimated that the reimbursement will double for a background check that includes fingerprinting resulting in an increase in reimbursements of \$817,600. DMRS will spread these costs out over three years resulting in an increase in expenditures of \$272,533.
- The Department of Human Services will incur an increase in expenditures for the background checks of 119 Adult Protective Services employees resulting in an increase in expenditures of \$5,712 (119 x \$48). The Department will spread out the investigations over the three years resulting in an increase in expenditures of \$1,904 each year.

## **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director